



For Immediate Release

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**Senate Budget Committee Chairman Judd Gregg's Statement
on Senate Passage of Pension Reform Legislation**

“The defined benefit pension plan system is in a crisis, and it is Congress’ responsibility to ensure that promises made to the American workers and retirees are promises kept. I commend the Senate for its progress today on the challenging issues surrounding pension plans, but believe there is still much more to be done to strengthen this legislation.

“Comprehensive reform must include increasing the level of required plan contributions and increasing the premiums that are necessary to return the Pension Benefit Guaranty Corporation to solvency and avoid a taxpayer bailout. Flat-rate premiums should be indexed, and variable-rate premiums should be based on total plan liabilities. In addition, reform must provide a comprehensive clarification of the law as it applies to cash balance and hybrid pension plans.

“It is my hope that today’s legislation will address these issues as it moves through the remainder of the legislative process.”